

Motor vehicle wholesale auction dealer_____

License requirements

The motor vehicle wholesale auction dealer license allows a business to conduct wholesale auctions in which vehicles owned by licensed dealers are sold to other licensed dealers.

If your business will be a motor vehicle salvage pool, which auctions off salvage vehicles to licensed dealers, you will need a **motor vehicle wholesale dealer license** instead of the wholesale auction dealer license.

If your business will hold auctions in which you sell vehicles owned by someone other than licensed dealers, or in which you auction off vehicles to the general public, you may need a *retail* motor vehicle dealer license.

Auction dealer activities requiring a license

An auction company may need one of several motor vehicle business licenses based on who owns the vehicles it sells and who buys them. The following table describes auction company activities and the license required to do business.

Table 2 Auction dealer activities requiring a license

Auction activity	License required	Comments
Sell vehicles owned by dealers or other licensees to licensed dealers only.	Motor vehicle wholesale auction dealer license	<ul style="list-style-type: none"> No retail sales allowed. Auction may be at a permanent location and time
Sell to the general public for one dealer exclusively	Motor vehicle salesperson license	<ul style="list-style-type: none"> May transfer license to another dealer at no charge. May sell on the auctioneer's or dealer's business premises. Must comply with all disclosure, purchase contract and registration and titling requirements.
Sell vehicles owned by <i>more than one</i> dealer or other licensees to the public	Motor vehicle retail dealer license	<ul style="list-style-type: none"> An auction company licensed as a motor vehicle dealer may consign and sell other dealers' vehicles. May sell on the auctioneer's or dealer's business premises. Must comply with all disclosure, purchase contract and registration and titling requirements
Sell vehicles for a person exempt from dealer licensing: <ul style="list-style-type: none"> Person acting under a court order Finance company selling repossessed vehicles Public officer performing public Private person selling 5 or fewer per year of his own vehicles 	No license required	Auction must meet these requirements: <ul style="list-style-type: none"> Not include vehicles owned by a dealer or other licensee. Not include more than one person's vehicles <i>or</i> include no more than 3 vehicles. No more than 3 auctions held per year at the same place. Not conducted on the permanent business premises of any dealer or licensee.

Excerpt from the “Right Way Guide” for dealers. WisDOT Dealer Section, 2002

(used for transportation)		
Operate as a <i>motor vehicle salvage pool</i> . Sell damaged vehicles owned by insurance companies and dealers to licensed dealers only.	Wholesale dealer license	No retail sales allowed.

To qualify for a wholesale auction dealer license you must provide the following:

- An established place of business that complies with all local zoning and permit regulations.
- A \$25,000 surety bond. For a list of insurance companies accepting applications for bonds, see the appendix to this guide.
- A lease for the business real estate unless the license applicant owns it.
- Fees of \$100 paid to Registration Fee Trust for a two-year wholesale auction dealer license.

You can apply for a wholesale auction dealer license by mail or in person

You must complete several forms and provide additional documentation to apply for a wholesale auction dealer license. Application forms are available by phone at 608.266.1425 or by e-mail at dealers.dmv@dot.state.wi.us. Mail or deliver completed application materials to WisDOT Dealer Section at the address on the front of this guide.

WISCONSIN DEPARTMENT OF TRANSPORTATION

Wholesale auction dealer license

An auction company may need one of several motor vehicle business licenses based on who owns the vehicles it sells and who buys them.

The motor vehicle wholesale auction dealer license allows a business to conduct wholesale auctions in which vehicles owned by licensed dealers are sold to other licensed dealers.

If your business will be a motor vehicle salvage pool, which auctions off salvage vehicles to licensed dealers, you will need a Wholesale dealer license instead of the wholesale auction dealer license.

If your business will hold auctions in which you sell vehicles owned by someone other than licensed dealers, or in which you auction off vehicles to the general public, you may need a retail motor vehicle dealer license. For more information on retail auction activities and license requirements, see Auction activities.

To qualify you must provide:

- An established place of business that complies with all local zoning and permit regulations.
- A \$25,000 surety bond. For a list of insurance companies accepting applications for bonds, see Insurance companies that accept applications for bonds.
- A lease for the business real estate unless the license applicant owns it.
- Fees of \$100 paid to Registration Fee Trust for a two-year wholesale auction dealer license.

You can apply by mail or in person

You must complete several forms and provide additional documentation in order to apply for a wholesale auction dealer license. Many of the forms require your signature, or the signature of authorities and witnesses. Therefore, it is not possible currently to submit your wholesale auction dealer license application online. Instead, you must apply for your license either by mail or in person at Wisconsin Department of Transportation's (WisDOT) Dealer Section customer counter.

For more information or to request application materials for the motor vehicle wholesale auction license:

- Call: (608)266-1425
- FAX: (608)267-0323
- E-mail: dealers.dmv@dot.state.wi.us
- Write to the address below:

Wisconsin Department of Transportation
Dealer Section
4802 Sheboygan Avenue, Room 806
P.O. Box 7909
Madison, WI 53707-7909

WISCONSIN DEPARTMENT OF TRANSPORTATION

Motor vehicle auction activities

An auction company may need one of several motor vehicle business licenses based on who owns the vehicles it sells and who buys them. The following list describes auction company activities and the license required to do business.

If an auction:

- Sells vehicles owned by licensed dealers or manufacturers to other licensed dealers only. No retail sales. License required: Wholesale auction dealer license.
- Operates as a motor vehicle salvage pool which sells damaged vehicles owned by insurance companies and licensed dealers to licensed dealers only. License required: Wholesale dealer license
- Sells to the general public for one dealership exclusively a Salesperson license is required.
- Sells vehicles repossessed by finance companies to the general public—no license is required.
- Sells vehicles for one private person who is selling his or her own vehicles or for two or more private people who are selling no more than a total of three vehicles—no license is required.
- Sells vehicles for a business that is selling its own vehicles when those vehicles have been privately titled (used for transportation)—no license is required. (Note: the auction company cannot be selling for a business that leases, rents or manufactures vehicles.)

For more information about auction company activities and license requirements:

- Call: (608)266-1425
- FAX: (608)267-0323
- E-mail: dealers.dmv@dot.state.wi.us
- Write to the address below:

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